



NEGATIVE PENSION INPUT AMOUNT - FACTSHEET

Negative pension input amount in the 1995/2008 Scheme

You need to read this factsheet if your 1995/2008 Scheme pension savings statement for the relevant tax year 2023/24 (or a subsequent tax year) shows that you have a negative pension input amount. It should be read together with the Pension Savings Statement Guide, on the 'Annual Allowance' section of our website at: [Annual Allowance Pension Savings Statement Guide | HSC Pension Service \(hscni.net\)](https://www.hscni.net/Annual-allowance-pension-savings-statement-guide)

Check if you have a negative pension input amount

A negative pension input amount in the 1995/2008 Scheme will be displayed as a minus amount.

A minus amount

**Your 1995/2008 Section HSC Pension Scheme
2023/24 Annual Allowance Pension Savings Statement**

Pension Scheme Tax Reference (PSTR) 00328803RK

Relevant Tax Year

Your Pension input amount in the relevant tax year is:

Pension Input Period Start	Pension Input Period End	Standard Annual Allowance (across all of your pension schemes)	Pension Input Amount (Growth) in the 1995/2008 Section HSC Pension Scheme
06/04/2023	05/04/2024	£60,000.00	£-20,000.00

In this statement the £-20,000.00 is a negative pension input amount.

HMRC changes for public service pension schemes from 2023/24

The government announced a change to the calculation of the pension input amount for public service pension scheme members in the Spring Budget 2023 and this was introduced in the Finance Act 2004 (Registered Pension Schemes and Annual Allowance Charge) Order (SI 2024/357).

From tax year 2023/24, if your pension input amount in the 1995/2008 Scheme is calculated to be a negative amount, you are allowed to offset this against a positive pension input amount in the 2015 Scheme in the same tax year.

Before the changes, the 1995/2008 Scheme pension input amount would have automatically been treated as zero and this remains the situation for tax years before 2023/24. The change to the 1995/2008 Scheme will result in you having more annual allowance headroom overall and reduce the potential of an annual allowance charge.

The change does not affect the 2015 Scheme. Therefore, a pension input amount is shown as either zero, or a positive amount in the 2015 Scheme pension input amount.

The information in this factsheet will update you of the government's changes to the calculation of the pension input amount of annual allowance. It will also help you to calculate your total HSC Pension Service Scheme pension input amount if you have a negative pension input amount, so that you can determine whether you have an annual allowance tax charge to pay.

No changes for non-public service pension schemes

If you have other pension benefit growth in 2023/24 there is no change to the calculation of a pension input amount in a non-public service pension scheme. Your pension input amount will be shown as either zero, or a positive amount.

You are also not allowed to offset a 1995/2008 Scheme negative pension input amount against a positive pension input amount in another registered pension scheme. This includes the HSC additional voluntary contributions (AVC) Scheme, or another public service pension scheme.

Calculating your 'total HSC Pension Service Scheme pension input amount' in a relevant tax year

As a member of both the 1995/2008 Scheme and the 2015 Scheme you may receive two pension savings statements – note that these could be sent separately or together. Each pension savings statement will show your pension input amount in the relevant tax year and the three previous tax years in that HSC Pension Service Scheme. Your 'total HSC Pension Service Scheme pension input amount' in each tax year is your 1995/2008 Scheme pension input amount added to your 2015 Scheme pension input amount.

You will need to calculate your total HSC Pension Service Scheme pension input amount for the relevant tax year from the information provided in both statements.

Example 1

A member receives the following pension input amounts in the pension savings statements.

Your 1995/2008 Section HSC Pension Scheme 2023/24 Annual Allowance Pension Savings Statement

Pension Scheme Tax Reference (PSTR) 00328803RK

Relevant Tax Year

Your Pension input amount in the relevant tax year is:

Pension Input Period Start	Pension Input Period End	Standard Annual Allowance (across all of your pension schemes)	Pension Input Amount (Growth) in the 1995/2008 Section HSC Pension Scheme
06/04/2023	05/04/2024	£60,000.00	£-10,000.00

Your 2015 CARE HSC Pension Scheme 2023/24 Annual Allowance Pension Savings Statement

Pension Scheme Tax Reference (PSTR) 00821581RY

Relevant Tax Years

Your Pension input amount in the relevant tax year is:

Pension Input Period Start	Pension Input Period End	Standard Annual Allowance (across all of your pension schemes)	Pension Input Amount (Growth) in the 2015 CARE HSC Pension Scheme
06/04/2023	05/04/2024	£60,000.00	£65,000.00

The total HSC Pension Service Scheme pension input amount is £65,000 + (-£10,000) = £55,000

If the member's available annual allowance is £60,000 the total HSC Pension Service Scheme pension input amount of £55,000 is less than this amount. The amount is then added to any pension input amount in another registered pension scheme. This is the total pension input amount.

Example 2

In this example the 1995/2008 HSC Pension Service Scheme pension input amount remains as £-10,000, but the 2015 HSC Pension Service Scheme input amount is £85,000.

Your 1995/2008 Section HSC Pension Scheme 2023/24 Annual Allowance Pension Savings Statement

Pension Scheme Tax Reference (PSTR) 00328803RK

Relevant Tax Year

Your Pension input amount in the relevant tax year is:

Pension Input Period Start	Pension Input Period End	Standard Annual Allowance (across all of your pension schemes)	Pension Input Amount (Growth) in the 1995/2008 Section HSC Pension Scheme
06/04/2023	05/04/2024	£60,000.00	£-10,000.00

Your 2015 CARE HSC Pension Scheme 2023/24 Annual Allowance Pension Savings Statement

Pension Scheme Tax Reference (PSTR) 00821581RY

Relevant Tax Years

Your Pension input amount in the relevant tax year is:

Pension Input Period Start	Pension Input Period End	Standard Annual Allowance (across all of your pension schemes)	Pension Input Amount (Growth) in the 2015 CARE HSC Pension Scheme
06/04/2023	05/04/2024	£60,000.00	£85,000.00

The total HSC Pension Service Scheme pension input amount is £85,000 + (- £10,000) = £75,000.

As the member's available annual allowance is £60,000 the total HSC Pension Service Scheme pension input amount is more than this amount. This amount is then added to any pension input amount in another registered pension scheme. This is the total pension input amount.

Calculating your total HSC Pension Service Scheme pension input amount in a carry forward tax year

Any annual allowance you have not used in the previous three tax years can be added to your annual allowance in the relevant tax year. This is 'carry forward'. Carry forward gives you a higher available annual allowance to use against the relevant tax year's total pension input amount, which reduces your potential for having an annual allowance charge.

If you've received a pension savings statement for a relevant tax year after 2023/24, and one or more of your previous three tax years includes a tax year from 2023/24 onwards, you'll need to calculate your total HSC Pension Service Scheme pension input amount for each tax year where you have a negative 1995/2008 Scheme pension input amount. You will be able to do this using the information provided in the pension savings statements.

Example 3

The member has a negative pension input amount in the 1995/2008 Scheme in one or more of the previous three tax years.

1995/2008 HSC Pension Service Scheme

Carry Forward Tax Years

Your Pension input amounts in the last three tax years are:

Pension Input Period Start	Pension Input Period End	Standard Annual Allowance (across all of your pension schemes)	Pension Input Amount (Growth) in the 1995/2008 Section HSC Pension Scheme
06/04/2023	05/04/2024	£60,000.00	£-7,000.00
06/04/2022	05/04/2023	£40,000.00	£0.00
06/04/2021	05/04/2022	£40,000.00	£15,000.00

2015 HSC Pension Service Scheme

Carry Forward Tax Years

Your Pension input amounts in the last three tax years are:

Pension Input Period Start	Pension Input Period End	Standard Annual Allowance (across all of your pension schemes)	Pension Input Amount (Growth) in the 2015 CARE HSC Pension Scheme
06/04/2023	05/04/2024	£60,000.00	£33,000.00
06/04/2022	05/04/2023	£40,000.00	£29,000.00
06/04/2021	05/04/2022	£40,000.00	£26,000.00

The total HSC Pension Service Scheme pension input amount is £33,000 + (- £7,000) = £26,000.

For 2023/24 the member has £34,000 of unused annual allowance to carry forward. This amount can be added to their annual allowance in the relevant tax year, along with £11,000 unused annual allowance from 2022/23. There is no unused annual allowance from 2021/22.

You can only offset a negative 1995/2008 Scheme pension input amount against a positive 2015 Scheme pension input amount in the same tax year (from 2023/24). It is not possible to offset a negative 1995/2008 Scheme pension input amount in one tax year against a positive 2015 Scheme pension input amount in a later tax year.

HMRC does not permit the carry forward of any unused negative pension input amount. The maximum amount of unused annual allowance that can be carried forward is the standard annual allowance for the tax year, unless you are subject to a lower annual allowance (for example, the tapered annual allowance).

More information about the annual allowance, carry forward and the tapered annual allowance can be found in the 'Pension Savings Statement Guide', on the 'Annual Allowance' section of our website at: [Annual Allowance Pension Savings Statement Guide | HSC Pension Service \(hscni.net\)](#).

Calculating your 'total pension input amount' in a relevant tax year

Your total HSC Pension Service Scheme pension input amount is then added to any pension input amount you may have in another pension scheme or arrangement, this will be your 'total pension input amount'. Your total pension input amount is then tested against your available annual allowance for that tax year.

In examples 1 and 2 there is the potential for an annual allowance charge if the total pension input amount (total HSC Pension Service Scheme pension input amount, added to any other registered pension scheme's pension input amount) is more than your available annual allowance, unless the member has enough unused annual allowance from the previous three tax years to carry forward.

HMRC's Annual Allowance calculator

You can use HMRC's annual allowance calculator to check whether you have an annual allowance charge. You can find HMRC's calculator at: <https://www.gov.uk/guidance/check-if-you-have-unused-annual-allowances-on-your-pension-savings>

If you have a negative pension input amount in the 1995/2008 Scheme you will need to calculate your total HSC Pension Service Scheme pension input amount for this tax year. You can do this by adding your negative 1995/2008 Scheme pension input amount to your 2015 Scheme pension input amount.



You will then need to enter your total pension input amount (total HSC Pension Service Scheme pension input amount, added to any other registered pension scheme's pension input amount) into the calculator and the calculator result screen will then show you any excess pension input amount on which tax is due.

We are currently updating the Pension Savings Statement Guide on the 'Annual Allowance' section of our website to include the information in this factsheet.



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